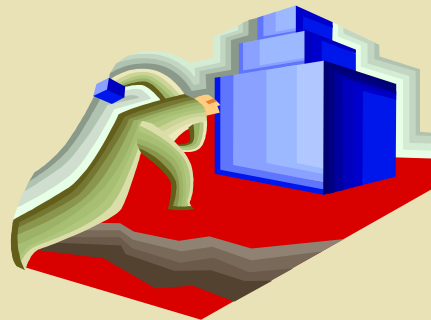


U.S. Environmental Protection Agency

Office of Small and Disadvantaged Business Utilization

Implementation of Small Business Programs at EPA

Small Businesses – Making a Difference



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David Sutton, Deputy Director**



Office of Small and Disadvantaged Business Utilization

Mission Statement

The Mission of the U.S. Environmental Protection Agency's Office of Small and Disadvantaged Business Utilization is to support the protection of the environment and human health by fostering opportunities for partnerships, contracts, subagreements, and grants for small and socioeconomically disadvantaged concerns.



EPA Procurement Programs

EPA Has Two Procurement Programs:

**EPA's Direct
Procurement
Program
(Acquisition)**

**EPA's Indirect
Procurement
Program
(Assistance)**



FY'02 Goals and Accomplishments

(Prime Contracts)

	Goals	Accomplishments
Small Businesses	23.5%	26.5%
Small Disadvantaged Businesses	3.5%*	2.0%
8(a) Businesses	6.0%*	6.3%
Women-Owned Small Businesses	5.0%	3.8%
HubZones	2.5%	.1%
Service Disabled Veterans	3.0%	.0%


*Since 8(a)s are SDBs, EPA, in essence, has an SDB goal of 9.5%



FY'03 Goals and Accomplishments

As of December 31, 2002
(Prime Contracts)

	Goal	Accomplishments
Small Businesses	23.5%	31.2%
Small Disadvantaged Businesses	3.5%	2.5%
8(a)s	6.0%	8.4%
Women-Owned Small Businesses	5.0%	4.4%
HubZones	3.0%	.6%
Service-Disabled Veterans	3.0%	0%



Fiscal Year 2002 Accomplishments (Subcontracts)

	Goal	Accomplishments
Small Businesses	50%	TBD
Small Disadvantaged Businesses	20%	TBD
Women-Owned Small Businesses	6.0%	TBD
HubZones	2.5%	TBD
Service-Disabled Veterans	3.0%	TBD



Mentor-Protégé Program

- ◆ Applies to solicitations more than \$500,000.
- ◆ Prime contractors accepted as mentors provide technical and managerial support to protégé subcontractors.
- ◆ Unlike the DOD program, our program offers no financial incentives. Instead, mentors are awarded points within technical evaluation criteria of the RFP.



On-Going Initiatives

Actions to Mitigate The Impact of Contract Bundling

- ◆ Bundling Rule Proposed in the Federal Register January 31, 2003.
- ◆ Comments due April 1, 2003



On-Going Initiative (Cont.)

Contract Bundling

Agencies are required to take steps in 9 areas:

- 1. Accountability of Senior Management.**
- 2. Timely and accurate reporting of bundled contracts.**
- 3. Bundling reviews of task and delivery orders under multiple award schedules.**



On-Going Initiatives (Cont.)

Contract Bundling

- 4. Reviews of Acquisitions Above Specified Thresholds.**
- 5. Identification of Alternatives and written justifications when alternatives involving less bundling are not used.**
- 6. Strengthening compliance with subcontracting plans.**



On-Going Initiatives (Cont.)

Contract Bundling

- 7. Facilitating the development of teams and joint ventures.**
- 8. Identifying best practices for maximizing small business opportunities.**
- 9. Dedicating agency OSDBU Resources to the President's Small Business Agenda.**



On-Going Initiatives (Cont.)

Contract Bundling

EPA will implement proposed changes upon their codification in the FAR and SBA Regulations.



On-Going Initiatives (Cont'd)

Small Business Vendor Profile Database

The system is being developed to track small, small disadvantaged, minority, women-owned, service disabled veterans, american indians/alaska native businesses, HBCUs, HSIs and MIs available to do business with EPA. This database will provide a means to search and retrieve vendors by ownership, NAICS, Corporate Capabilities, SBA 8(a) status, and other designations as desired. The public will have access through the WEB when the system is fully implemented.



On-Going Initiatives

(Cont'd)

Subcontract Compliance Database

The system will track prime contractors' actual accomplishments in meeting their subcontracting goals. Data input will include approved subcontracting plans and invoice data showing subcontract dollars by small business category. The database will be monitored to determine when subcontracting is not consistent with approved plans. When exceptions are noted, OSDBU will work with the CO to identify any needed corrective action.



On-Going Initiatives (Cont.)

EPA OSDBU/Howard University Outreach Center Contract

- Provides technical assistance to firms interested in doing business with EPA or interested in starting a business. Services provided include providing assistance on:
 - How to start a business
 - Business Plans
 - Capabilities Statements
 - Financial Statements
 - Small Business Loan Applications

For Assistance, Contact

Franklin Carpenter, Director

(202) 564-4584



EPA's Indirect Procurement Program

EPA is one of three Federal Agencies (the other two are DOT and NASA) that has a goal for procurement dollars going to MBEs and WBEs through assistance agreements.

This is a key program for the small business community because EPA spends about 4 times as much under grant programs as we spend under direct procurement programs.

EPA has two National Goals which are based on statutes:

- **Public Law 101-549, November 15, 1990**

To the extent practicable, not less than 10% of the funding for research resulting from the Clean Air Act Amendments of 1990 will be made available to DBEs.

- **Public Law 102-389, October 6, 1992.**

To the fullest extent possible, at least 8% of federal funding for prime and subcontracts awarded in support of authorized programs will be made available to socially and economically disadvantaged individuals (within the meaning of Section 8(a)(5) and (6) of the Small Business Act) to include HBCUs and Women.



EPA's Indirect Procurement Program Implementation

Prior to Adarand Constructors, Inc. V. Pena, 115 S. Ct. 2097 (1995)

- **8% or 10% goal, as appropriate was put into all grants.**

Post Adarand

- **Goals in each grant are based on the availability of MBEs and WBEs in the requisite geographical area.**

Grant recipients and sub recipients must make efforts to identify MBE and WBE firms and report actual accomplishments to EPA on EPA Form 5700-52A.


Goals are not included in IAGs and cooperative agreements. The recipient just reports actual accomplishments.

All accomplishments, to include direct procurement accomplishments are reported to Congress annually.



Indirect Procurement Program POCs

- ◆ Region 1 Sharon Molden
- ◆ Region 2 Otto Salamon
- ◆ Region 3 Romona McQueen
- ◆ Region 4 Rafael Santamaria
- ◆ Region 5 Sharon Green



Indirect Procurement Program POCs (Cont.)

- ◆ Region 6 Debora Bradford
- ◆ Region 7 Cecil Bailey
- ◆ Region 8 Maurice Velasquez
- ◆ Region 9 Judy Johansen
- ◆ Region 10 D. J. Lovelady

Rulemaking



**Supreme Court's
Decision in Adarand
Constructors, Inc. v.
Pena, 115 S. Ct. 2097
(1995)**



Proposed DBE Rule

EPA is in the process of finalizing a Proposed Rule to implement changes which have resulted from the Adarand Decision. In addition to changing the name of the program from EPA's MBE/WBE Program to EPA's DBE Program, the Rule will cover four key areas:

- ❖ Fair Share Negotiations—how recipients will determine their goals. Indian Tribes and Trust Territories will have to negotiate goals. The DRAFT Rule exempts recipients receiving \$250,000 or less from fair share negotiations.
- ❖ Certification—DBEs must now be certified.
- ❖ Steps to take to identify and solicit DBEs.



DRAFT DBE Rule (Cont'd)

- ❖ Reporting—Currently, all dollars going to Indian Tribes and Trust Territories are counted as going 100% to minorities. Under the DRAFT Rule, these entities will have to report actuals.

We expect the rule to be proposed in May 2003.



EPA OSDBU Contact Info

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- ◆ **Fax:** (202) 501-0756